

IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA,	:	No. 4:06-cv-1984
	:	
Plaintiff,	:	Judge Jones
	:	
v.	:	
	:	
PINE CREEK STRUCTURES, INC.,	:	
	:	
Defendant	:	

MEMORANDUM

August 13, 2007

THE BACKGROUND OF THIS MEMORANDUM IS AS FOLLOWS:

Pending before the Court is the United States' Motion for Entry of Default Judgment (doc. 22) filed on August 9, 2007.

For the reasons that follow, the Motion shall be granted and judgment in favor of the United States and against Defendant Pine Creek Structures, Inc., shall be entered in the amount of \$15,549.05.

DISCUSSION:

The United States filed a complaint for failure to honor levy on October 6, 2006. (Rec. Doc. 1). Defendant Pine Creek Structures failed to answer or otherwise respond, and the Clerk entered a default judgment on December 21,

2006. (Rec. Doc. 8). Thereafter, on January 4, 2007, the Court received from Pine Creek Structures a request to reopen the matter (doc. 9) which was granted by the Court, in the interest of justice and caution. On January 5, 2007, we reversed the Clerk's entry of default judgment and granted the Defendant leave of ten days to file an answer to the complaint. (Rec. Doc. 10). Defendant again failed to respond. Accordingly, on January 29, 2007, we entered an Order reinstating the Clerk's entry of default judgment. (Rec. Doc. 11).

The United States filed the instant Motion on August 9, 2007, with a supporting declaration of Internal Revenue Service Officer Peter Pavlish ("Officer Pavlish"). Officer Pavlish declares that Johnathan L. McLaughlin (the "taxpayer") is an employee of Defendant Pine Creek Structures. Officer Pavlish further declares that the taxpayer is indebted to the United States for unpaid income tax liabilities for the years ending December 31, 1997 and December 31, 1998, in the amount of \$10,366.03 as of July 20, 2007, plus statutory interest, penalties, and additions that will continue to accrue so long as the amount is unpaid. The United States submits that Pine Creek Structures is indebted to the United States in the amount of \$15,549.05, which consists of \$10,366.03 which would have been collected under the levy against the taxpayer had Pine Creek Structures complied, plus a 50% penalty pursuant to 26 U.S.C. § 6332(d)(2) based upon the failure of

Pine Creek Structures, without reasonable cause, to honor the proper and lawful notices of levy.

CONCLUSION:

Accordingly, because Pine Creek Structures has utterly failed to comply with the lawful levy imposed by the United States and because it has failed to properly answer or respond to this action, we shall grant the Motion and enter judgment in favor of the United States. An appropriate Order shall issue.